



“SCOOP”

ARKANSAS FARM SERVICE AGENCY - - STATE OFFICE

Date: November, 2004

2004 1st Advance Counter-Cyclical (CC) Rates

The following table lists the 1st advance rates for eligible crops for FY 2004 Counter-Cyclical Payments:

Crop	Rate	35 Percent of Rate
Wheat (bu)	0.1000	0.0350
Corn (bu)	0.4000	0.1400
Grain Sorghum (bu)	0.2700	0.0945
Barley (bu)	0.1500	0.0525
Oats (bu)	0.0160	0.0056
Upland Cotton (lb)	0.1373	0.0481
Rice (lb)	0.00900	0.00315
Soybeans (bu)	0.2600	0.0910
Peanuts (lb)	0.0365	0.012775

2003 Final Counter-Cyclical Payment for Cotton

Final counter-cyclical payments will be made for 2003 crop year cotton because the target price exceeded the effective price. The final counter-cyclical payment rate is \$0.0393 per pound. Producers who received the first partial payment of \$0.0201 per pound will receive a final payment of \$0.0192 per pound.

Prevented Planted Provisions

Producers should report prevented planted acreage to your local FSA Office when the crop acreage is not planted due to disaster-related conditions. To be considered timely filed, prevented planted acres should be reported no later than 15 calendar days after the final planting date established by Federal Crop Insurance. County Committee review and action is required to receive history credit in accordance with applicable rules and regulations.

Failed Acreage Provisions

Producers should report failed crop acres to your local FSA Office when the crop is failed due to disaster-related conditions. To be timely filed, acreage reports for failed acreage shall be filed before the crop is destroyed. County Committee review and action is required to receive history credit in accordance with applicable rules and regulations.

2005 Farm Changes

Now is the time to report any farming operation changes so we can keep your records current. This includes changes in landownership, tenants or crop share arrangements.

Controlled Substance

Any person who is convicted under Federal or State law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, cultivating, growing, producing, harvesting, storing prohibited plants including marijuana, coca bushes, opium poppies, cacti of genus lophophoria, and other drug producing plants prohibited by Federal or State law.

2005 Reconstitutions

Farm reconstitutions may now be processed for the 2005 program year provided proper signatures are obtained. The method and priority order for farm divisions is as follows:

- **Estate:** Used when a will or written agreement by heirs state the distribution of base acres.
- **Landowner Designation Method:** Used when land is sold/transferred with a written agreement by the buyer/transferee or seller agreeing to the distribution of base acres. Note: the seller/transferor must have owned the land at least three years unless the County Committee waives the requirement.
- **Default:** Used when the estate and landowner designation method does not apply. This method distributes bases to the new farms at the tract level as they were distributed on the parent farm before reconstitution.

Loan Deficiency Payments

Loan Deficiency Payments (commonly called LDPs) are payments made to producers who, although eligible to obtain a CCC loan from the Farm Service Agency, agree to forego the loan in return for a payment. In order to be eligible for a payment, you must request an LDP while maintaining 100% beneficial interest in your commodity. In order to maintain beneficial interest, you must have title to, control of, and risk of loss of the commodity.

There are two options available in requesting an LDP:

Option 1) Form CCC-709 used prior to harvest. The LDP rate based on the date of delivery or in the case of cotton, the date of ginning. Available for producers who: 1) will lose beneficial interest in the commodity at harvest when the commodity is delivered directly from the field to a processor, buyer, warehouse, wool pool, or cooperative 2) want to receive LDP on commodity based on the date delivered directly from the field to a processor, buyer, warehouse, wool pool, or cooperative 3) immediately feed the commodity during harvest.

Option 2) Form CCC-633 LDP; or Form CCC-Cotton AA for cotton, used after harvest (after ginning in the case of cotton). The LDP rate based on date of request.

If a CCC-709 is signed prior to delivery, it can be used to lock in each load on the date delivered directly from the field to an elevator. In the case of cotton, it locks in each bale based on the date ginned. After harvest, you must bring in all information on quantity delivered or ginned and the dates. If you are losing beneficial interest *at delivery*, the CCC-709 is the only option you have. If you maintain beneficial interest *after delivery*, you must file a CCC-633 LDP (CCC-Cotton AA, for cotton) prior to losing beneficial interest, if you have not filed a CCC-709 prior to harvest. The key to using a CCC-633 LDP (or the CCC-Cotton AA) is to know when FSA determines that you lose beneficial interest and to file a request *before* that time. The final date to apply for LDP's for the 2004 crop year is as follows: January 31, 2005 for peanuts, wool, mohair and unshorn pelts; March 31, 2005 for wheat, oats, honey; and May 31, 2005 for cotton, rice, corn, grain sorghum, soybeans, pulse crops and sunflower seeds.

The U.S. Dept of Agriculture (USDA) prohibits discrimination in all its programs and activities on the bases of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs). Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotope, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). or file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Ave., SW, Washington, DC 20250-94101 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.

LEN E. BLAYLOCK JR, State Executive Director
Tony Franco, Chief, Price Support
DAVID NIX, Executive Staff Assistant & Acting Adm Officer
Telephone (501) 301-3000

Sharon Schafer, Chief Prod Adj/Compliance
James Culpepper, Chief Farm Loans
Clayton Parr, Chief, Conservation